take them back on his return trip. In spite of his assurances the Guatemalan authorities decided to seize the arms and put this decision into execution. The steamship company is said to have demanded au indemuity from Guatemala.

While the State Navy department officials were watching with keen interest the daily doings between Salvador and Guatemala, there is no special alarm felt for the safety of American residents in these sections. The *Thetic* and *Banger*, ordered there July 14th, have probably reached the scene of trouble by this time and are doubtless giving all necessary protection to the American interests on the west coast of these countries. As far as heard from there are no troubles on the east coast at present, but to be on the safe side the Navy degartment has concluded to send the *Kearsage* to this coast to await developments and guard our interests in case of necessity.

The following is a dispatch from New York, dated July 30.—Dr. Geo. W. Bock, a physician who lived many years at the capital of Guatemala, arrived on the steamer Aguan yesterday. In the course of a talk on the state of affairs there, he reviewed the troubles over the proposed union, which had been on some time and sail: "As to the election of president, it was mutually agreed that one should be chosen every four years and from a different republic each time, until the grand round was made, each one having a president in the chair. This meant that each republic should elect a president of the union once in twenty years and this did not suit San Salvador at all. When her delegates returned the Balvadorian government repudiated what had been done and denied that its delegate had been endowed to sign or agree to any such confract.

"This roused President Barrillas of Guatemala to action and he declared that San Salvador had agreed to the contract and the goverument must stick to it. He at ouce sent an army to menace the frontier of Salvador, but afterwards withdrew it to ascertain what Costa Rica would do before going into serious action. "Let me say right here that Guate-

"Let me say right here that Guatemala cau raise au army of about 70,000 men, and she has now about 20,000 in the field. This is a large army for a country having only two and onc-half millions of people. San Salvador can place 40,000 in the field and Costa Rica perhaps 30,000. Costa Rica took no formal action iu its legislative council respecting the attitude of San Salvador, but an armed force was sent to prevent the Nicaraguan forces from holding any communication with the Salvadorians.

"The Salvador troops had mcantime crossed the boundary into Guatemala and tried to reach the railroad running from Sau Jose on the Pacific Coast to the capital of Guatemala. Over this line all the millitary supplies of the Guatemalaus come, and if it could be held there would be nothing for President Barrilias to do but to surrender. "As soon as the Guatemalaus got wind of this our army was at once sent to cut off their approach and the Salvadorians were driven back. They returned over the frontier and as Barrillas had by this time got word of the action of Costa Rica, he ordered his men to keep along the frontier and engage the army of Salvador if it attempted to again peuetrate Guatemala.

"The war, if war it can be called, will end as other squabbles of a like nature have. There will be little blood shed. They are too cowardly to fight and if the truth could be known it would be found that the war is simply auother way of making money for the few familles who hold the administration of Guatemala in the hollow of their hands. "You can name these men on your fingers.

They are Ministers Martinez, They are Ministers Martinez, Gabriel, Carlisto, Mendizaba, Francisco, Angmano, Salvador, Eseobal and Munoz. Besides these are the capitalists Aparizo Arguirre 'and Finico, who favor the government of Barrillas simply because it lines their pockets. The president himself is worth probably \$5,000,000 and he was poor when he took the office. He is paid \$500 a mouth salary but this is but a trifle compared with what he squeezes out of the governmeut. He is of a piece with the former President, Barrios, who compelled the customs to pay him \$1000 per day.

The people are dissatisfied with this kind of government and con-stant revolutions are the result Before the present trouble with Salvador there was an uprising in the auor there was an uprising in the capital, which was suppressed, and three of the ringleaders shot. The republic is more like an absolute monarchy, for the heads of it are bound to keep their places at all costs. Nicaragua, I think, favors San Salvador and she does not care to become part of a union. The Nicaragua canal scheme may have something to do with this. The Guatemalans do not think much of the canal, however. Seven engi-neers who worked three mouths on it and only received \$35 traveled on foot from Greytown to Guatemala penniless. They were refused par-sage at Greytown and the Guatemalans took up a subscription to send them home to San Fraucisco.

The following is a dispatch from Kansas City, July 30.— Captain Phelan this afternoon said he was the man who made the offer of 3000 meu to Guatemala, but had received uo reply yet.

The following is a dispatch from New York, July 30.—A morning paper says the Pacific Mail Steamship Company has made a demand upon the republic of Guatemala for half a million dollars indemnity for the illegal seizure of a portion of the cargo of the steamer Colima. A formal demand was sent to President Barrillas two days ago and the particulars of the claim were also filed with the State Department, which has promised to promptly investigate the matter.

President Houston, it is stated,

confirmed the report. He says their agent at Guatemala offered to send the arms back to San Francisco by the next steamer, and the authorities agreed. As soon as the arms were loaded in a Launch, however, they seized the whole consigument.

The following is a dispatch from the City of Mexico, July 30.—In the last six battles in Guatemala, the Salvadorians are reported to have obtained most complete and decisive victories over their opponents. The battles were near aud in Jutiapa, twenty-five miles from Atescatampa, ou the main road to Guatemala City. The report of Salvadorian victories against great numerical odds creates much surprise here.

The following is a dispatch from the City of Mexico, July 31.—Gerouimo Pau, coufidential agent of the Ezeta government, iu speaking today about the possibilities of peace between Salvador and Guatemala, said that the army of Salvador is in a most excellent position at present to demand an honorable peace. It has sustained the dignity of its country in the field of battle; it drove out the invaders of its soil and, seeing they were bent upon keeping up their incursions, followed them, and upon their own territory gained eight most completo victories.

"Our country has not been the aggressor," he said. "Guatemala has endeavored to dictate to us who should be our president. She has been too meddlesome and has received a practical object lesson that will make her more cautious in the future how she interferes in our internal affairs.

The offices of the United States and Mexico, in bringing about peace betweenSalvador and Guatemala, will be appreciated. Our country does not want war, but we want an honorable peace that will guarantee that there shall be no intermeddling in our International political affairs from outside Central American Republics.

Speaking of the Central American uniou, Pau said that he believes it to be an impossibility at present. Many railroad lines, to connect various Central American countries in closer communication, are needed first. Large districts in Nictragua, Costa Rica and Honduras are undeveloped and sparsely settled as yet.

The Guatemalan Minister was seen this afternoon. He says he will have no news until a decisive battle has been fought between his country and Salvador, but he cannot suggest when this culminating event will take place.

The following is a dispatch from New York, dated July 31.—Dr. Fernandez Cruz, the Guatemalan Minister, was much aunoyed yesterday at certain statements contained in the cable dispatches from Guatemala. Dr. Cruz is emphatic in denying that he has been recalled by his government. "I shall go back to Washington," her said, "and coutinue to serve the Government